

**STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION  
NOTICE OF HEARING  
FOR THE CUSTOMERS OF CONSUMERS  
ENERGY COMPANY CASE NO. U-18250**

- Consumers Energy Company requests that the Michigan Public Service Commission issue a financing order approving the securitization of up to \$184.6 million of Qualified Costs and related approvals.
- The information below describes how a person may participate in this case.
- You may call or write Consumers Energy Company, One Energy Plaza, Jackson, Michigan 49201, (800) 477-5050 for a free copy of its application. Any person may review the documents at the offices of Consumers Energy Company.
- A public hearing will be held:

**DATE/TIME:**           **Thursday, March 9, 2017, at 9:00 a.m.**  
This hearing will be a prehearing conference to set future hearing dates and decide other procedural matters.

**BEFORE:**           Administrative Law Judge **Sharon L. Feldman**

**LOCATION:**           Michigan Public Service Commission  
7109 West Saginaw Highway  
Lansing, Michigan

**PARTICIPATION:**   Any interested person may attend and participate. The hearing site is accessible, including handicapped parking. Persons needing any accommodation to participate should contact the Commission's Executive Secretary at (517) 284-8090 in advance to request mobility, visual, hearing or other assistance.

The Michigan Public Service Commission (Commission) will hold a public hearing to consider Consumers Energy Company's (Consumers Energy) February 10, 2017 application, which seeks for the Commission to:

1. Issue a financing order applicable to Consumers Energy, its transferees, successors and assignees, pursuant to CCERA and other applicable law: (a) determining that the Palisades PPA Buyout Payment is reasonable and prudent and should be a regulatory asset for which Consumers Energy is authorized to recover the cost over a period of time; (b) declaring that the regulatory asset and related securitization transaction costs are qualified costs under CCERA; and (c) authorizing issuance of securitization bonds in an amount that will permit recovery of those qualified costs and other related costs. Such order shall reserve to Consumers Energy the sole discretion as to whether and when to proceed with a securitization transaction.

2. Authorize Consumers Energy in the financing order to impose a nonbypassable securitization charge payable to the issuer of the securitization bonds pursuant to CCERA as a separate item on customer bills, to

be rendered on and after the issuance of securitization bonds, and that is sufficient to pay: (a) the principal and interest of the bonds; (b) other costs associated with the issuance of the bonds; and (c) service and ongoing support of the securitization bonds and the issuer of the bonds.

3. Authorize Consumers Energy to include necessary language in its tariffs to accomplish the imposition of the above-referenced nonbypassable securitization charge and initially implement and periodically true-up the securitization charge.

4. Authorize Consumers Energy to employ appropriate methodology to account for the transactions contemplated by the financing order, including granting any additional accounting authority and appropriate ratemaking treatment.

5. Grant to Consumers Energy, pursuant to MCL 460.10i(9), the authority to refund and retire any or all of the securitization bonds that are issued pursuant to this proceeding upon demonstration of an ability to refinance under applicable bond covenants and that securitization charges to service new securitization bonds, including transaction costs, would be less than the securitization charges required to service the securitization bonds being refunded.

6. Authorize Consumers Energy to create a special purpose entity to which it could transfer securitization property and approve transfers of the securitization property under the financing order issued in this proceeding and rights thereunder to any transferee, successor or assignee, of Consumers Energy in accordance with CCERA.

7. Other relief.

All documents filed in this case shall be submitted electronically through the Commission's E-Dockets website at: [michigan.gov/mpscedockets](http://michigan.gov/mpscedockets). Requirements and instructions for filing can be found in the User Manual on the E-Dockets help page. Documents may also be submitted, in Word or PDF format, as an attachment to an email sent to: [mpscedockets@michigan.gov](mailto:mpscedockets@michigan.gov). If you require assistance prior to e-filing, contact Commission staff at (517) 284-8090 or by email at: [mpscedockets@michigan.gov](mailto:mpscedockets@michigan.gov).

Any person wishing to intervene and become a party to the case shall electronically file a petition to intervene with this Commission by March 2, 2017. (Interested persons may elect to file using the traditional paper format.) The proof of service shall indicate service upon Consumers Energy's attorney, Paul Michael Collins, Miller, Canfield, Paddock and Stone, P.L.C. One Michigan Avenue, Suite 900 Lansing, Michigan 48933.

Any person wishing to appear at the hearing to make a statement of position without becoming a party to the case may participate by filing an appearance. To file an appearance, the individual must attend the hearing and advise the presiding administrative law judge of his or her wish to make a statement of position. All information submitted to the Commission in this matter becomes public information, thus available on the Michigan Public Service Commission's website, and subject to disclosure. Please do not include information you wish to remain private.

Requests for adjournment must be made pursuant to the Michigan Administrative Hearing System's Administrative Hearing Rules R 792.10422 and R 792.10432. Requests for further information on adjournment should be directed to (517) 284-8130.

A copy of Consumers Energy's application may be reviewed on the Commission's website at: [michigan.gov/mpscedockets](http://michigan.gov/mpscedockets), and at the office of Consumers Energy Company. For more information on how to participate in a case, you may contact the Commission at the above address or by telephone at (517) 284-8090.

Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; 1909 PA 300, as amended, MCL 462.2 et seq.; 1919 PA 419, as amended, MCL 460.54 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; and the Michigan Administrative Hearing System's Administrative Hearing Rules, 2015 AC, R 792.10401 et seq.

February 14, 2017



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
PUBLIC SERVICE COMMISSION

NORM SAARI  
COMMISSIONER

SALLY A. TALBERG  
CHAIRMAN

RACHAEL EUBANKS  
COMMISSIONER

SHELLY EDGERTON  
DIRECTOR

February 14, 2017

Case No. U-18250

Mr. Paul Michael Collins  
Miller, Canfield, Paddock and Stone, P.L.C.  
One Michigan Avenue, Suite 900  
Lansing, Michigan 48933

Dear Mr. Collins:

Consumers Energy Company shall mail, by February 23, 2017, a copy of the enclosed notice of hearing to all cities, incorporated villages, townships and counties in its electric service area. Proof of service shall be filed by the prehearing conference on March 9, 2017.

Consumers Energy Company shall cause the enclosed notice of hearing to be published, by February 23, 2017, in daily newspapers of general circulation in its electric service area. Publishing requirements and a copy of the publishing format are enclosed. Affidavits of publication shall be filed by the prehearing conference on March 9, 2017.

Consumers Energy Company shall, by March 9, 2017, serve upon each person who has petitioned to intervene a copy of the written direct testimony of its proposed witnesses and the proposed exhibits as filed with the Commission. Proofs of service shall be filed with the Commission by March 16, 2017.

Issuance of this notice is a ministerial act and does not constitute a determination that Consumers Energy Company's application is complete within the meaning of MCL 460.6a(1).

Sincerely,

Kavita Kale  
Executive Secretary

Enclosures